

**Coventry City Council**

**Minutes of the Meeting of Audit and Procurement Committee held at 3.30 pm on**

**Monday, 20 October 2014**

Present:

Members: Councillor D Galliers (Chair)  
Councillors S Bains, L Harvard, R Sandy and T Sawdon

Employees (by Directorate): P Jennings, Resources Directorate  
S Mangan, Resources Directorate  
L Welton, Resources Directorate  
H Peacocke, Resources Directorate

Apologies: Councillor D Welsh

**Public Business**

**26. Declarations of Interest**

None

**27. Minutes of Previous Meeting**

**The minutes of the meeting held on 15 September were approved by the meeting and signed as a true record.**

**28. Matters Arising**

- i. The Annual Compliance Report - Regulatory & Investigatory Powers Act (RIPA) had been circulated to the Members of the Committee for comments to the Cabinet Member for Policing and Equalities and the response received had been sent to the cabinet Member for consideration.
- ii. The Committee heard that officers had considered the response from Ernst & Young regarding the Council's contract management processes. Three options had been provided but it was felt that only the third was viable. option 3 had been explored, in-house, with the People Directorate. It was agreed to look at what other companies could offer and to seek competitive quotes for the work. It was expected that this project would result in savings from the next financial year, but officers would seek to achieve savings this year, if possible.
- iii. Committee Members had received a Knowledge and Skills Self-Assessment form and outstanding forms should be completed and returned to the Council's Audit and Risk Manager.
- iv. The Meeting heard that the next meeting of the Local Government Audit Committees network, provided by Grant Thornton, would be in Birmingham on 22 October.

29. **Work Programme 2014/15**

The Committee considered a report of the Executive Director, Resources, on the Work Programme for the rest of the Municipal year.

In response to the matter on the risk update for the Ricoh Arena, the Audit and risk manager told the Committee that he would discuss it with the relevant Council officers and report back if there was any matter of relevance to the Committee.

**RESOLVED that the Committee approves the Work Programme for the rest of 2014/15.**

30. **Half Year Internal Audit Progress Report 2014-15**

The Committee considered a report of the Executive Director, Resources, on the internal audit activity for the period April to September 2014, against the agreed Internal Audit Plan for 2014-15.

The meeting noted summary findings from key audit reports and agreed as follows:

- That the Committee Chair writes to the Chair of Governors of Stoke Heath Primary School expressing concern at the rate of progress on the actions required to support the effective management of the school's resources.

- It was agreed to invite the appropriate senior manager from the People Directorate to the next meeting of the Committee to seek assurance that action is being taken in response to issues raised in the Section 17 audit report.

The Committee were concerned that the Council had not defined its responsibilities for this area in a policy and that payments were being made through section 17 which other agencies were responsible for. The Committee also requested an update on how the Council is progressing towards a single mechanism for accessing discretionary support.

- The Committee requested a further report in January 2015 around progress in responding to actions agreed in the System back-up, recovery and data centre IT audit review.

- The Committee requested additional information in respect of the key issue highlighted in the Pertemps Master Vendor audit report around the level of pre-employment checks completed on agency staff.

**RESOLVED that the Audit and Procurement Committee approves the Internal Audit Progress Report April-September 2014 and the actions agreed above in relation to the summary findings of the key audit reviews.**

31. **National Fraud Initiative: Outcomes and Information for Elected Members and Decision Makers 2012-13**

The Committee received the Audit Commission's report titled 'National Fraud Initiative: Outcomes and Information for Elected Members and Decision Maker 2012-13'. It was noted that Coventry City Council investigates relatively less matches than other authorities but achieves satisfactory outcomes by focussing on the areas of proven risk.

**Resolved that the Audit and Procurement Committee notes the Report and approves the Council's approach to responding to the National Fraud Initiative.**

**32. Treasury Management Update**

The Committee received an update from the Executive Director, Resources on the Council's Treasury Management activity. The meeting noted changes to credit ratings and investment terms and limits and further noted that any proposed amendments to the Council's strategy would be based on advice from Treasury Management experts.

**Resolved that the Audit and Procurement Committee notes the Treasury Management Update.**

**33. Transformation Programme / Jeep Campaign Financial Savings Update**

The Committee considered a report of the Executive Director, Resources, providing an update on the financial savings anticipated from the Council's Transformation Programme and the final position in relation to achievement of the JEEP (Justify Expenditure, Examine Performance) financial savings. It was anticipated that the abc Programme will have delivered additional savings of £15.8m in 2014/15 and total annual savings over the 5 year course of the Programme to date of nearly £50m. The JEEP Programme would deliver savings of £195,000 in 2014/15.

The Committee requested that a copy of this report be sent to Councillor Sweet for her information.

**Resolved that the Audit and Procurement Committee notes the Transformation Programme / Jeep Campaign Financial Savings Update.**

**34. Ombudsman Complaints Annual Report**

The Committee considered a report from the Chief Executive on the Ombudsman Complaints Annual Report which said that in 2013/14 there were 108 complaints lodged against Coventry City Council of which only 19 progressed and 10 of these were upheld.

The report summarised the areas where the complaints arose and gave further details on the cases where the complaints were upheld against the Council.

**The Audit and Procurement Committee resolved to:**

- (1) Note the Council's performance in relation to complaints to the Local Government Ombudsman**
- (2) Note the actions in response to complaints investigated and where the Council is found to be at fault and**
- (3) To receive this report on an Annual Basis.**

35. **Exclusion of Press and Public**

36. **Procurement Monthly Progress Report (Private)**

The Committee considered a report of the Executive Director, Resources, detailing confidential financial matters in respect of Procurement and Commissioning across the Council which showed a savings deficit of £499,000 but noted that Public Health had achieved savings of £500,000. The Council was confident of meeting its savings targets on procurements for 2014/15.

**The Audit and Procurement Committee resolved to note the Monthly procurement progress Update.**

(Meeting closed at 5.10 pm)